

(ii) The material satisfies all contract quality requirements and is in complete conformance with all contract quality requirements applicable at the time and place of inspection.

(iii) Complete inspection approval establishes that material which once was partially approved has subsequently been completely approved.

(iv) One imprint of the square stamp voids multiple imprints of the circle stamp.

(c) The marking of each item is neither required nor prohibited. Ordinarily, the stamping of shipping containers, packing lists, or routing tickets serves to adequately indicate the status of the material and to control or facilitate its movement.

(d) Stamping material does not mean that it has been accepted by the Government. Evidence of acceptance is ordinarily a signed acceptance certificate on the DD Form 250, Material Inspection and Receiving Report.

(e) Policies and procedures regarding the use of National Aeronautics and Space Administration (NASA) quality status stamps are contained in NASA publications. When requested by NASA centers, the DoD inspector shall use NASA quality status stamps in accordance with current NASA requirements.

Subpart 246.6—Material Inspection and Receiving Reports

246.670 General.

(a) Material Inspection and Receiving Reports (MIRRs) are used to document—

- (1) Contract quality assurance;
- (2) Acceptance of supplies and services; and
- (3) Shipments.

(b) MIRRs are used by activities responsible for—

- (1) Receiving;
- (2) Status control;
- (3) Technical requirements;
- (4) Contracting;
- (5) Inventory control;
- (6) Requisitioning; and
- (7) Payment.

246.671 Procedures.

See Appendix F, Material Inspection and Receiving Report, for procedures

and instructions for the use, preparation, and distribution of—

(a) The Material Inspection and Receiving Report (DD Form 250 series) and;

(b) Supplier's commercial shipping/packing lists used to evidence Government contract quality assurance.

Subpart 246.7—Warranties

246.701 Definitions.

Acceptance, as defined in FAR 46.701 and as used in this subpart and in the warranty clauses at FAR 52.246-17, Warranty of Supplies of a Noncomplex Nature; FAR 52.246-18, Warranty of Supplies of a Complex Nature; FAR 52.246-19, Warranty of Systems and Equipment Under Performance Specifications or Design Criteria; and FAR 52.246-20, Warranty of Services, includes the execution of an official document (e.g., DD Form 250, Material Inspection and Receiving Report) by an authorized representative of the Government.

Defect, as used in this subpart, means any condition or characteristic in any supply or service furnished by the contractor under the contract that is not in compliance with the requirements of the contract.

246.702 General.

(c) Departments and agencies shall establish procedures to track and accumulate data on warranty costs.

246.703 Criteria for use of warranties.

(b) *Cost*. Contracting officers may include the cost of a warranty as part of an item's price or as a separate contract line item.

[63 FR 6109, Feb. 6, 1998]

246.704 Authority for use of warranties.

The chief of the contracting office must approve use of a warranty, except in acquisitions for—

(1) Commercial items (see FAR 46.709);

(2) Technical data, unless the warranty provides for extended liability (see 246.708);

(3) Supplies and services in fixed-price type contracts containing quality

assurance provisions that reference higher-level contract quality requirements (see 246.202-4); or

(4) Supplies and services in construction contracts when using the warranties that are contained in Federal, military, or construction guide specifications.

[56 FR 36460, July 31, 1991, as amended at 60 FR 33145, June 27, 1995; 60 FR 61599, Nov. 30, 1995; 63 FR 6109, Feb. 6, 1998]

246.705 Limitations.

(a) Warranties in the clause at 252.246-7001, Warranty of Data, are also an exception to the prohibition on use of warranties in cost-reimbursement contracts.

246.706 Warranty terms and conditions.

(b)(5) *Markings.* Use MIL Standard 129, Marking for Shipments and Storage, and MIL Standard 130, Identification Marking of U.S. Military Property, when marking warranty items.

246.708 Warranties of data.

Obtain warranties on technical data when practicable and cost effective. Consider the factors in FAR 46.703 in deciding whether to obtain warranties of technical data. Consider the following in deciding whether to use extended liability provisions—

(1) The likelihood that correction or replacement of the nonconforming data, or a price adjustment, will not give adequate protection to the Government; and

(2) The effectiveness of the additional remedy as a deterrent against furnishing nonconforming data.

246.710 Contract clauses.

(1) Use a clause substantially the same as the clause at 252.246-7001, Warranty of Data, in solicitations and contracts that include the clause at 252.227-7013, Rights in Technical Data and Computer Software, and there is a need for greater protection or period of liability than provided by other contract clauses, such as the clauses at—

(i) FAR 52.246-3, Inspection of Supplies—Cost-Reimbursement;

(ii) FAR 52.246-6, Inspection—Time-and-Material and Labor-Hour;

(iii) FAR 52.246-8, Inspection of Research and Development—Cost-Reimbursement; and

(iv) FAR 52.246-19, Warranty of Systems and Equipment Under Performance Specifications or Design Criteria.

(2) Use the clause at 252.246-7001, Warranty of Data, with its Alternate I when extended liability is desired and a fixed price incentive contract is contemplated.

(3) Use the clause at 252.246-7001, Warranty of Data, with its Alternate II when extended liability is desired and a firm fixed price contract is contemplated.

(4) Use the clause at 252.246-7002, Warranty of Construction (Germany), in solicitations and contracts for construction when a fixed-price contract will be awarded and contract performance will be in Germany.

[56 FR 36460, July 31, 1991, as amended at 62 FR 34128, June 24, 1997]

PART 247—TRANSPORTATION

Subpart 247.1—General

Sec.

247.103 Transportation Documentation and Audit Regulation (TDA).

247.104 Government rate tenders under section 10721 of the Interstate Commerce Act.

247.104-3 Cost-reimbursement contracts.

247.104-5 Citation of Government rate tenders.

247.105 Transportation assistance.

Subpart 247.2—Contracts for Transportation or for Transportation-Related Services

247.270 Stevedoring contracts.

247.270-1 Scope of section.

247.270-2 Definitions.

247.270-3 Type of contract.

247.270-4 Technical provisions.

247.270-5 Evaluation of bids and proposals.

247.270-6 Award of contract.

247.270-7 Contract clauses.

247.271 Contracts for the preparation of personal property for shipment or storage.

247.271-1 Scope of section.

247.271-2 Policy.

247.271-3 Procedures.

247.271-4 Solicitation provisions, schedule formats, and contract clauses.